

Hog prices have surged this summer thanks to a rare, nasty virus that's swept across livestock country.

As [The New York Times Steven Yaccino reports](#), the porcine epidemic diarrhea virus has hit more than 16 states and killed hundreds of thousands of piglets (it only affects young swine and thus does not pose a risk to food supplies).

It's unusual for the disease to appear in the U.S. It was last seen in China in 2012.

Yaccino writes:

By the end of July, 403 separate cases had been reported to the National Animal Health Laboratory Network of the Department of Agriculture, with most outbreaks occurring in Iowa (149) and Oklahoma (94). About 30 new cases are reported each week.

“There’s not many times that a new virus hits an industry that has no immunity,” said Robert Morrison, a professor of veterinary medicine at the University of Minnesota who has been studying the virus. “Every pig in the United States is susceptible. It’s like throwing a spark on a bunch of kindling.”

As a result, since mid-May, August contract prices have surged by about \$10 (or 11%) and now stand at \$1.00/lb:



"October and December contracts gaining on mounting speculation that the effects of the supply constriction due to PEDv will largely be seen in hogs marketed during those periods," Societe Generale agricultural commodities analyst Christopher Narayanan told us in an email.

Prices have also been pushed higher by lingering gains in beef prices, he said.

Morningstar's Ken Perkins agreed prices could stay

up for the next several months. "The number of infected animals should decline over time assuming the issue is contained, but it could still take time to make up the shortfall," he told us in an email.

Yaccino says scientists are working on a vaccine. However, he notes that all of this has also prompted fears about what other viruses may be entering the country.